

Message Text

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ORIGIN OPIC-06

INFO OCT-01 ARA-06 ISO-00 EB-07 COME-00 /020 R

DRAFTED BY RSTERN ;OPIC/GC

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ARA/EP/P - ASCFULLER

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R 122022Z AUG 76

FM SECSTATE WASHDC

TO AMEMBASSY LIMA

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E.O. 11652: N/A

TAGS: EINV

SUBJECT: CELANESE CLAIM

1. ON JULY 27, 1976 OPIC RECEIVED WRITTEN NOTICE OF A CLAIM BY THE CELANESE CORPORATION OF NEW YORK (THE INVESTOR) FOR INCONVERTIBILITY COVERAGE UNDER ITS CONTRACT NO. 5669. CLAIM INVOLVES 20,618,478.86 SOLES, STATED TO HAVE BEEN RECEIVED AS DIVIDENDS ON COMPANY'S 35.6 PERCENT INTEREST IN RAYON Y CELANESE PERUANA, S.A. (THE FOREIGN ENTERPRISE) PAID APRIL 21,1975 AND DECEMBER 22,1975. INVESTOR STATES APPLICATION FOR EXCHANGE MADE WITH BANCO DE LA NACION ON OCTOBER 31, 1975 HAS NOT BEEN GRANTED DESPITE REPEATED INQUIRIES.

2. OPIC REQUESTS EMBASSY'S ASSISTANCE IN OBTAINING COPIES OF EXCHANGE CONTROL LAWS AND REGULATIONS RELATIVE TO THIS CLAIM. INVESTOR REFERS TO DECREE LAW 17,710 OF JUNE 18, 1969 AND DECREE LAW 18,275 OF MAY 15, 1970. IS EMBASSY

AWARE OF ANY OTHERS WHICH MAY BE RELEVANT?

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3. INVES,OR REPRESENTED THAT NO CONTROLS EXISTED WHEN

CONTRACT WAS SIGNED IN DECEMBER 1966. IS THIS ACCURATE
AND, IF NOT, IS EMBASSY AWARE OF ANY PROBLEMS IN CONVERTI-
BILITY THAT EXISTED IN DECEMBER 1966 UNDER EXCHANGE

CONTROLS THAT EXISTED AT THAT TIME?

4. IS EMBASSY AWARE OF OTHER INSTANCES OF BLOCKED
CURRENCY IN PERU OR REASONS FOR THE PROBLEM IN THIS CASE?

5. INVESTOR'S CLAIM STATES THAT ITS 50 PERCENT INVESTMENT
IN THE FOREIGN ENTERPRISE WAS REDUCED TO 35.6 PERCENT BY A
MANDATORY ISSUANCE OF SHARES TO THE QUOTE INDUSTRIAL COMM-
UNITY UNQUOTE REPRESENTING THE WORKERS OF THE FOREIGN EN-
TERPRISE. IS EMBASSY AWARE OF BACKGROUND TO THIS STATE-
MENT OR ANY RELATION BETWEEN THE ACTIONS OF PERU IN THIS
REGARD AND THE PRESENT CLAIM OF INCONVERTIBILITY?

6. EMBASSY'S ASSISTANCE REQUESTED IN OBTAINING COPIES OF
LAWS, REGULATIONS, ETC., PURSUANT TO WHICH SOL WAS DE-
VALUED FROM 45:1 TO 65:1 LAST JUNE. IF INVESTOR'S CLAIM
IS VALID, OPIC MUST TRANSFER ON BASIS OF PRE-DEVALUATION
EXCHANGE RATE, VIZ. RATE AS OF MAY 27, 1976 (REFERENCE
DATE OF EXCHANGE UNDER OPIC CONTRACT). ACCORDINGLY, IT
WOULD BE HELPFUL TO KNOW:

A. WHEN IT WAS COMMONLY KNOWN TO US INVESTORS IN PERU
THAT DEVALUATION WOULD TAKE PLACE;

B. WHAT ARE PROSPECTS FOR ANOTHER CHANGE IN FUTURE;

C. WHETHER EMBASSY AWARE OF ANY REASON WHY 45:1 EXCHANGE
RATE WOULD NOT BE APPROPRIATE FOR REMITTANCE OF A CORPOR-
ATE DIVIDEND AS OF MAY 27, 1976.

7. FOR PURPOSES OF ACCEPTING A DRAFT OF SOLES INVOLVED IN
INVESTOR'S CLAIM, OPIC REQUESTS (A) NAME AND TITLE OF
EMBASSY OFFICIAL WHO CAN ACT AS OPIC'S REPRESENTATIVE,(B)
AN ACCEPTABLE DEPOSITORY IN LIMA ON WHICH DRAFT SHOULD BE
DRAWN.

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Message Attributes

Automatic Decaptioning: X
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Current Classification: UNCLASSIFIED
Concepts: CLAIMS, INVESTMENT GUARANTEES
Control Number: n/a
Copy: SINGLE
Draft Date: 12 AUG 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: powellba
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Margaret P. Grafeld
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04 MAY 2006

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TAGS: EINV, PE, US, CELANESE CORP
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